

May 30, 1978

Memo

Albany

DATE

Real prop. tax - CA
Albany - App. Tax
[Memos To The City]

TO: Council Members

FROM: ADMINISTRATIVE OFFICER

SUBJECT: Budget Supplement - Jarvis/Gann

Council concerning
Budget revisions nec-
essitated by pass of
Prop. 13 on June 6, 1978
bailor]

If Proposition 13 passes, we will have to adjust the recommended 1978/79 fiscal year budget accordingly. The Alameda County estimates that the City of Albany's property tax revenue, in the event of the passage of Proposition 13, will be \$371,000. In the recommended budget we estimate our property tax revenue to be \$1,218,100. This means that we have a deficit of approximately \$847,100 to make up. Table I below lists this information:

TABLE I

Property Tax Revenue:	
General Fund	\$ 583,000
Parks & Recreation	260,000
Retirement	375,100
	<hr/>
	\$ 1,218,100
Estimate by	
Alameda County	<hr/> 371,000
	<hr/>
Deficit	\$ 847,100

It is recommended that our first priorities be Police, Fire and Maintenance. We should try to keep these services intact.

The cuts which are listed below are not recommended cuts, but are necessary in order to balance our budget. I have organized the cuts into three rounds. The first round cuts are fairly easy and will not appreciably affect city services, although they have a secondary impact on the city government. The second round cuts eliminate certain city services; and the third round cuts further eliminate city services. As your Council reviews these cuts, they become harder and harder to make.

Below is a summary of the first found cuts. The total budget reduction after the first round cuts is \$139,052.

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FIRST ROUND CUTSMayor & Council

232 Conferences	7,306
234 Meetings	<u>1,300</u>
Total Reduction	8,606
Less Lost Revenue	<u>0</u>
Net Reduction	<u>8,606</u>

Administration

232 Conferences	863
252 Environmental Impact Reports	3,000
208 Library	<u>100</u>
Total Reduction	3,963
Less Lost Revenue	<u>0</u>
Net Reduction	<u>3,963</u>

City Clerk

232 Conferences	1,776
234 Meetings & Dues	150
251 City Code	<u>200</u>
Total Reduction	2,126
Less Lost Revenue	<u>0</u>
Net Reduction	<u>2,126</u>

Finance

217 Acct. Machine Rental	16,000
230 Mileage	150
232 Conferences	618
234 Meetings & Dues	<u>200</u>
Total Reduction	16,968
Less Lost Revenue	<u>0</u>
Net Reduction	<u>16,968</u>

City Treasurer

230 Travel	125
232 Conferences	941
234 Meetings & Dues	90
217 Acct. Machine	<u>2,364</u>
Total Reduction	3,520
Less Lost Revenue	<u>0</u>
Net Reduction	<u>3,520</u>

First Round Cuts - Continued

City Attorney

232 Conferences	1,205
234 Meetings & Dues	118
Total Reduction	<u>1,323</u>
Less Lost Revenue	0
Net Reduction	<u><u>1,323</u></u>

Insurance

258 Contingency	19,710
Total Reduction	<u>19,710</u>
Less Lost Revenue	0
Net Reduction	<u><u>19,710</u></u>

Community Promotion

The entire budget	11,925
Total Reduction	<u>11,925</u>
Less Lost Revenue	0
Net Reduction	<u><u>11,925</u></u>

Non-Departmental

252 ABAG	1,018
256 Newsletter	1,550
272 Safety Committee	150
279 Library Board	100
282 Coffee & Tea	200
285 Other Committees	200
Total Reduction	<u>3,218</u>
Less Lost Revenue	0
Net Reduction	<u><u>3,218</u></u>

Police Department

232 Conferences	2,944
240 Training	600
246 Expense Allowance	250
252 Pistol Shoot	400
258 Hunter Safety	50
Total Reduction	<u>4,244</u>
Less Lost Revenue	0
Net Reduction	<u><u>4,244</u></u>

First Round Cuts - ContinuedFire Department

232 Conferences	1,593
234 Meetings & Dues	250
238 Visitors Meals	100
240 Training	500
254 Fire Prevention	250
260 Clean-up Work	9,500
Total Reduction	<u>12,193</u>
Less Lost Revenue	0
Net Reduction	<u><u>12,193</u></u>

Traffic & Safety

The entire budget	120
Total Reduction	<u>120</u>
Less Lost Revenue	0
Net Reduction	<u><u>120</u></u>

Civil Defense

The entire budget	11,660
Total Reduction	<u>11,660</u>
Less Lost Revenue	0
Net Reduction	<u><u>11,660</u></u>

Public Works - Administration

232 Conferences	1,088
234 Meetings & Dues	160
605 New Equipment	100
Total Reduction	<u>1,348</u>
Less Lost Revenue	0
Net Reduction	<u><u>1,348</u></u>

Government Buildings

251 Christmas	150
705 Capital Outlay	<u>1,950</u>
Total Reduction	<u>2,100</u>
Less Lost Revenue	0
Net Reduction	<u><u>2,100</u></u>

First Round Cuts - Continued

Planning & Zoning

202 Materials & Supplies	820
232 Conferences	2,914
252 Extension Courses	150
Total Reduction	<u>3,884</u>
Less Lost Revenue	0
Net Reduction	<u><u>3,884</u></u>

Waterfront Landfill

251 Planning	20,000
Total Reduction	<u>20,000</u>
Less Lost Revenue	0
Net Reduction	<u><u>20,000</u></u>

Parks & Recreation - Administration

232 Conferences	1,270
234 Meetings & Dues	200
251 Capital Improvements	3,000
252 4th of July	750
Total Reduction	<u>5,220</u>
Less Lost Revenue	0
Net Reduction	<u><u>5,220</u></u>

Terrace Park

605 Terrace Park	1,000
Total Reduction	<u>1,000</u>
Less Lost Revenue	0
Net Reduction	<u><u>1,000</u></u>

Key Route Blvd.

202 Materials & Supplies	300
Total Reduction	<u>300</u>
Less Lost Revenue	0
Net Reduction	<u><u>300</u></u>

First Round Cuts - Continued

Civic Center

202 Materials & Supplies	250
Total Reduction	<u>250</u>
Less Lost Revenue	0
Net Reduction	<u>250</u>

Senior Center

232 Conferences	300
234 Meetings & Dues	250
605 Building Expansion	50,000
Total Reduction	<u>50,550</u>
Less Lost Revenue	50,000
Net Reduction	<u>550</u>

Park & Recreation Commission

232 Conferences	2,300
Total Reduction	<u>2,300</u>
Less Lost Revenue	0
Net Reduction	<u>2,300</u>

Park Equipment

605 New Equipment	2,524
Total Reduction	<u>2,524</u>
Less Lost Revenue	0
Net Reduction	<u>2,524</u>

In the second round cuts, we eliminate various programs, including the crossing guard program; all the recreational programs, the street repaving program, the weed abatement program, and we reduce our street lighting program by one-third. Below is a summary of these cuts. The total cost reduction is \$375,714.

SECOND ROUND CUTS

Police Department

Crossing Guards	
Salary	34,880
Fringe Benefits	<u>2,701</u>
	37,581

Second Round Cuts - Continued

Street Lighting

Reduce by one-third	26,500
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Weed Abatement

The entire budget	3,706
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Street Projects

All 2106	150,290
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All Recreation Programs

Memorial Park Recreation	19,541
Terrace Park Recreation	12,570
Community Center	30,555
Senior Center (Additional)	45,083
Preschool	24,684
Afterschool Administration	9,407
Marin afterschool	4,502
Cornell afterschool	4,501
Vista afterschool	2,392
Middle School afterschool	4,402
	<u>157,637</u>

In the third round cuts, we eliminate specific positions in the various departments and we eliminate all of our equipment reserves. The estimated cost reduction is \$332,597. The remaining cost reductions necessary will come from the remaining employees' salaries and fringe benefits.

THIRD ROUND CUTS

Administration

1/2 - fund to January, 1979	42,287
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City Clerk

delete Deputy	
Salary	13,224
Fringe Benefits	2,952
	<u>16,176</u>

Third Round Cuts - Continued

Finance Department

Delete Account Clerk I

Salary	11,364
Fringe Benefits	<u>2,847</u>
	14,211

City Treasurer

1/2 time	7,380
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Public Works

Engineering Inspector

Salary	15,036
Fringe Benefits	<u>3,674</u>
	18,710

Planning & Zoning Assoc.

Salary	19,416
Fringe Benefits	<u>4,556</u>
	23,972

Street Crew

Delete 1 Maintenance

Workers I

Salary	12,846
Fringe Benefits	<u>3,234</u>
	16,080

Park Crew

Delete 1 Maintenance

Gardeners I

Salary	12,433
Fringe Benefits	<u>3,151</u>
	15,584

Fire Department

Delete Fire Prevention

Officer

Salary	17,738
Fringe Benefits	<u>3,340</u>
	21,078

Police Department

Delete one patrol officer

Salary	15,804
Fringe Benefits	<u>3,046</u>
	18,850

Eliminate all Equipment Reserves 75,135

Eliminate all Equipment Rentals 63,134

Again, I would like to state that these are not recommended, but may be necessary.

Sincerely,



BILL HADEN

BH:nf



City of Albany

1000 SAN PABLO AVE. • ALBANY, CALIF. 94706 • TELEPHONE 644-8544

WILLIAM E. HADEN
ADMINISTRATIVE OFFICER

June 16, 1978

19
JUN 26 1978

AGENDA _____

Delegations _____

The Honorable City Council
City Hall
Albany, CA 94706

Dear Councilmembers:

For the past several weeks, we have been reviewing the recommended budget for fiscal year 1978/79. During our reviews, we have been discussing proposed employee layoffs as a result of the passage of Proposition 13.

It now appears that relief will not be immediately forthcoming from the State of California. This is creating a financial emergency which will hit us in the Fall of 1978. As we have been reviewing the budgets, it appears that we are not able to cut enough out of our proposed expenditures to make up for the projected losses in revenue. This means that your Council should take action now to allow us time to implement the drastic measures which we must consider.

It is recommended that your Council authorize the Administrative Officer to send termination notices to the following employees:

1. The Community Center Director. This position will be maintained only if we can make it self-supporting; but in order for the employee to have adequate notice, we should send a termination notice at this time.
2. Preschool Directors. There are two preschool directors. It is recommended that the City no longer subsidize this program. We are currently working on plans to make this program self-supporting. The employees will be taken off the City payroll effective July 3, 1978. They then have a self-supporting summer program which should carry them for the next few weeks. However, their employment with the City should terminate July 3, 1978.
3. Senior Center Directors. It is recommended that the City not fund the Senior Center as we have in the past. This program, we hope, can be operated either through a system of federal grants, or on a volunteer basis. It is recommended that termination notices be sent to the Senior Center Director and the part-time employees.

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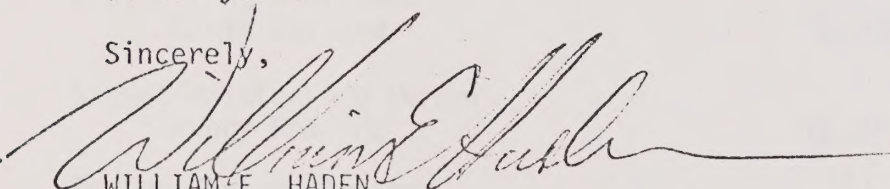
4. The Afterschool Program. It is recommended that the afterschool program, as it is presently funded, be terminated. This means that we should send a termination notice to the Afterschool Coordinator. Her employment with the City should be scheduled to end on July 3, 1978. We are presently working on plans to make this position self-supporting. The position will continue on through the day camp program because we have increased our fees to finance this position.

Further, it is recommended that your Council authorize the Administrative Officer to send a termination notice to the latest Maintenance Gardener I which we hired and to the Account Clerk I which we have hired in the Finance office. Also, in the Public Works Department, it is recommended that a termination notice be sent to the Engineering Inspector and to the Street Maintenance Worker with the least seniority. Further, it is recommended that we impose a hiring freeze immediately. No new position will be hired until after the City Council has adopted a budget and we know our financial position.

These termination notices are necessary so that we can notify the employees of these pending actions and allow us time to review their budgets. The cost savings from these positions will assist us in balancing our 1978/79 budget. Council should be aware that there will be expenses such as vacation leave payoff and increased unemployment compensation costs.

Unless we receive State aid, further layoffs may be necessary later in the fiscal year.

Sincerely,



WILLIAM E. HADEN
Administrative Officer

WEH:nlf
Attach.

LIST OF EMPLOYEES TO BE SENT NOTICES

	<u>Annual Salary</u>	<u>Fringe Benefits</u>	<u>Retirement</u>
Community Center Director Donald Dupin	14,724	2,113	2,062
Preschool Directors			
Marilyn Rie	7,848	1,231	1,099
Helen Sommers	7,848	2,104	1,099
Part-time Assistants in Senior Center			
Jean Kramer	1,200	72	
Marion Heath	1,831	110	
Tiny Kampe	345	20	
Afterschool Program Coordinator Hazel Minoggio	7,600	1,486	
Maintenance Gardener I Carletus Evans	11,952	1,274	1,741
Account Clerk I Mary Lou Jones	11,364	1,209	1,592
Engineering Inspector David Ballard	15,036	2,278	2,106
Street Maintenance Worker Henry Ramirez	12,846	1,999	1,799
Senior Center Director Stephanie Fallcreek	<u>16,632</u>	<u>1,528</u>	<u>2,330</u>
	109,226	15,424	13,828
Total: \$138,478			

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